

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 10, 2000

TRANSMITTED VIA FAX
(615) 252-6302 / ORIGINAL TO FOLLOW VIA U.S. MAIL

Ms. April Ingram
Boult, Cummings, Conners & Berry PLC
414 Union Street, Suite 1600
Post Office Box 198062
Nashville, Tennessee 37219

RE: DV2, Inc. (Docket No. 00-00351)

Dear Ms. Ingram:

The Tennessee Regulatory Authority requests the following information regarding the Application of DV2, Inc. for a Certificate of Public Convenience and Necessity as a competing telecommunications service provider in the State of Tennessee:

Administrative Requirements

1. Who are the shareholders? Are they other corporations?
2. If applicable, provide the applicants involvement in pertinent mergers, acquisitions, etc.?

Managerial Requirements

Provide all of the following information related to all of the managerial Staff.

1. Degrees: (BS, BA, MBA, etc.) accounting, engineering, etc.
2. Professional licenses: CPA, etc.
3. Experience in management and telecommunications.

Technical Qualifications

Provide the following information regarding the proposed network data:

1. Location of switches-i.e., cities.
2. Specify engineering expertise: Retained firm, staff electrical engineers, etc. Data regarding key technical staff.
3. State if there are any CPE (Customer Premise Equipment) requirements that would not be compatible with an incumbent carrier.
4. Repair and Maintenance Information:
 - a) Ensure customer service will meet needs of customer.
 - b) Phone number for repair and maintenance (customer service).
 - c) Address for written communication of repair and maintenance
 - d) Name and address of Tennessee contact person responsible for and knowledgeable about provider operations.

Telephone (615) 741-2904, Toll-Free 1-800-342-8359, Facsimile (615) 741-5015
www.state.tn.us/tra

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Financial Qualifications

Provide the following financial information of the Applicant:

1. Estimated cost of network, switches, and unbundled network elements.
2. Please quantify any amounts included in financial statements and projections relating to reciprocal compensation for terminating ISP traffic.
3. Most recent audited financial statements. (Balance Sheet, Income Statement, and Statement of Cash Flows).
4. Projected financial statements for three years (Balance Sheet, Income Statement, and Statement of Cash Flows).
5. Capital Costs budget for the three years including the following:
 - a) Equipment to be deployed.
 - b) Cost of Equipment, network, switches, and unbundled network elements.
 - c) Sources for funding the Tennessee network, equipment, UNEs: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail).
1. TCA §65-4-125 amendment states that by September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the authority. Provide a statement outlining the Applicant's intent to abide by TCA §65-4-125 and provide a corporate surety bond by September 1, 2000 if applicable.

Numbering Issues

Please provide answers to the following questions concerning numbering within your proposed service area.

1. What is your company's expected demand for NXXs per NPA within a year of approval of your application?
2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?
3. When and in what NPA do you expect to establish your service footprint?
4. Will the company sequentially assign telephone numbers within NXXs?
5. What measures does the company intend to take to conserve Tennessee numbering resources?
6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

Tennessee Specific Operational Issues

Please provide answers to the following questions concerning Tennessee Specific Operational Issues.

1. How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee.
2. Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers on the database?
3. How does your company intend to provide metro area toll-free calling ("MAC") around Memphis, Nashville, Knoxville and Chattanooga?
4. Is the company aware of the MAC database maintained by BellSouth and the procedures to enter your telephone numbers on the database?

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.
6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 *et seq.* and Chapter 1220-4-11?

Miscellaneous

1. If applicable, is the applicant bonded for the amount of the deposits?
2. *Identify all complaints filed with state and federal regulatory agencies involving your company or affiliated entities. Identify the nature of the complaint, which governmental agency or office received the complaint, and how was the complaint resolved?*

Please submit the requested information by May 18, 2000. If you have any questions, please contact this office at (615) 741-2904 (ext. 132).

Sincerely,



David Waddell
Executive Secretary

c: Docket File
 Joe Werner
 Darlene Standley
 Carsie Mundy
 Darrell Whitis